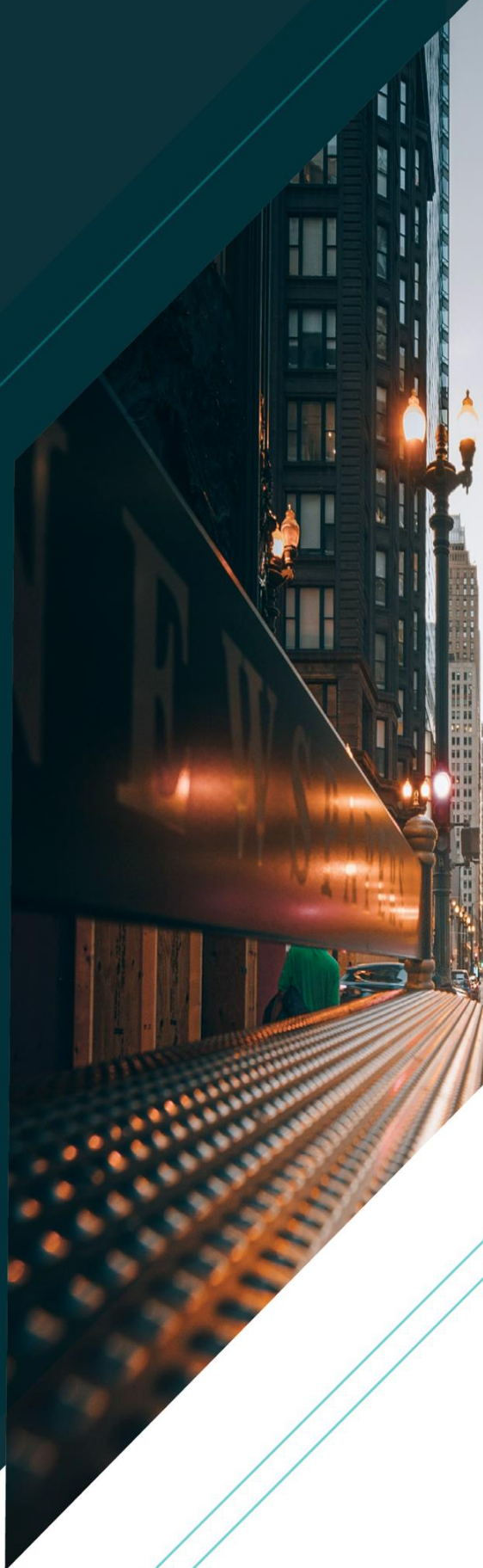


ISSUE DATE: FEBRUARY 2025

Disciplinary Panels

Practice Note 15



**National
Stock Exchange**
of Australia



Introduction

PRACTICE NOTE 15

The Purpose of this Practice Note

This practice note is intended to assist issuers, participants and their advisers understand NSX procedures relating to disciplinary proceedings, including appeals from disciplinary proceedings.

This practice note is not a substitute for the Issuer seeking its own professional advice. There may be differences in each and every case that the Issuer needs to fully consider as to the ultimate requirements for listing procedures, adhering to the NSX Rules, conditions of listing and adhering to the Australian Corporations Act.

The Main Points

1. Disciplinary Process
 2. Panel Selection
 3. Appeal Process
 4. Attendance before the Panel
 5. Procedures and Rules of Evidence
 6. Further Information
- Annexure 1: Roadmap for disciplinary procedures

Related materials

NSX Listing Rules Section I
NSX Listing Rules Section IIC
NSX Business Rules Part C
ASIC Market Integrity Rules (Securities Market) as applicable

Defined Terms

Appeal Matters means Disciplinary Matters, with respect to which a Decision has been made and from which an NSX Client has lodged a formal request for review.

Appeal Tribunal means the Disciplinary Panel appointed by NSX Board or the Compliance Committee as is appropriate, which has primary responsibility for dealing with Appeal Matters.

ASIC means Australian Securities and Investment Commission.

Compliance Committee means the Disciplinary Panel which has primary responsibility for dealing with compliance related issues affecting NSX market.

Compliance Officer means the NSX Officer in charge of handling all suspected breaches of the Rules.

Decision means any written or verbal determination made by an NSX Officer.

Disciplinary Decision means any Decision made by NSX, its Disciplinary Panels or NSX Officers with respect to Disciplinary Matters.



Disciplinary Matter means any matter with respect to which NSX is of the reasonable view could affect the fair, orderly and transparent operation of the NSX market.

Disciplinary Panel means Compliance Committee or Appeal Tribunal.

First Instance Decision means a Decision made by an NSX Officer with respect to a First Instance Matter.

First Instance Matter means any matter which the Compliance Officer, in consultation with Senior Management, considers should be reviewed by either the Compliance Officer or the Compliance Committee.

NSX Clients means nominated advisers, listed companies, issuers, brokers (participants), and officers of Issuers and Participants.

NSX Officer means NSX Board, committees, committee members, Senior Management, Compliance Officer, employees or contractors.

Qualified Member means NSX Officers or nominated advisers who have, to the satisfaction of the NSX Board, demonstrated the requisite knowledge and experience to be eligible to hear Disciplinary Matters and hand down a Decision.

Qualified Members Register means the register maintained by NSX which contains a list of Qualified Members.

Rules means the Corporations Act 2001 (Cth), the NSX Listing Rules, NSX Business Rules and the ASIC Market Integrity Rules.

Senior Management means Officers appointed by the Exchange.

Warning Notice means a decision by the Compliance Officer and/or the Compliance Committee to issue either a public or private notice indicating the view that the NSX Client is in breach of the Rules.

Guidance

The NSX issues practice notes to promote commercial certainty, reduce costs to business and assist market participants, and we are available to discuss any questions you have in relation to a practice note.

NSX may replace practice notes at any time. Issuers should contact NSX to ensure that they have the latest version of a practice note. As a practice note is only a guide to NSX practice, Issuers are advised to contact NSX to discuss their particular circumstances and the application of the listing rules. NSX cannot give legal advice to Issuers and recommends that they consider taking advice from a qualified professional person.



Section 1 – Disciplinary Process

1. The procedures provide the procedural framework within which NSX identifies and deals with Disciplinary Matters. As defined in the procedures, a Disciplinary Matter is any matter that could affect the fair, orderly and transparent operation of the NSX market.
2. It is the role of Senior Management to identify Disciplinary Matters. Once a Disciplinary Matter is identified, it is the responsibility of Senior Management to:
 - a. Log the suspected breach;
 - b. If appropriate inform ASIC;
 - c. Obtain appropriate documentation of the suspected breach, and;
 - d. Where relevant, obtain further information from the NSX Client.
3. In circumstances where Senior Management is of the view that the Disciplinary Matter requires further action, the Disciplinary Matter may be referred to either the Compliance Officer, their delegate or the Compliance Committee. As a Disciplinary Panel, the Compliance Committee has broad powers of investigation and may require NSX Clients to provide such information deemed necessary to properly evaluate the Disciplinary Matter.
4. Where the Compliance Officer, their delegate, or the Compliance Committee is of the view that there has been a breach of the Rules, they may take whatever steps they consider necessary to ensure the integrity of the market including deciding to suspend, censure or fine the NSX Clients.
5. In certain circumstances, the NSX Client may appeal a decision of either the Compliance Officer, their delegate or Compliance Committee to the Appeal Tribunal.

Section 2 – Panel Selection

The Disciplinary Panel will be constituted by NSX Admission Committee in case of an appeal.

Section 3 – Appeal Process

1. As outlined in the procedures, certain decisions may be appealed by an NSX Client. If the NSX Client does decide to appeal, it must lodge appeal documents within 14 days of receiving the formal written decision from the Compliance Officer, the delegate or Compliance Committee.
2. The appeal documents must contain: a description of the decision with respect to which the NSX Client is seeking review, a statement outlining the reasons why the NSX Client considers that the decision is an appealable decision under the procedures and finally a statement outlining the NSX Client's grounds for appeal.
3. There is only a limited right of appeal from Compliance Officer and Compliance Committee Decisions. Decisions of an interim nature cannot be appealed. This includes decisions of a procedural nature, such as whether the Compliance Officer or Compliance Committee will hear the matter. Only decisions which decide the actual outcome of the Disciplinary Matter are appealable.
4. Furthermore, the appeal must not otherwise be spurious, vexatious or affect the fair, orderly and transparent operation of the NSX Market. Finally, there are a number of specific decisions from which an NSX Client cannot appeal, these are enumerated in the procedures.



Section 4 – Attendance before the Panel

1. NSX Clients may decide whether or not to attend Disciplinary Panels and there is provision for Disciplinary Matters to be heard by way of written submissions.
2. The Disciplinary Panels do have the discretion to require NSX Clients to attend in person where they are of the view that this would assist the Disciplinary Panel in properly dealing with the Disciplinary Matter.

Section 5 – Procedures and Rules of Evidence

1. Disciplinary hearings are to be conducted with as much expedition as a proper consideration of the matters before the Disciplinary Panel permit to provide fairness, efficiency and cost effectiveness to the NSX Clients.
2. Disciplinary Panels have broad powers (as per the Rules) relating to requiring production of information relevant to Disciplinary Matters and may allow the production by NSX Clients of whatever evidence the Panel considers of probative value.

Section 6 – Further Information

For further information, please contact:

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Phone: (02) 9233 0100



Annexure 1: Roadmap for NSX Disciplinary Procedures

